



**Livestock and Seed Program
Audit, Review, and Compliance Branch
Quality System Audit Report**

AUDIT INFORMATION

Applicant Name:	Idaho State Department of Agriculture (ISDA)
Est. Number:	N/A
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Auditor(s):	Rick Skinner
Program:	USDA National Organic Program (NOP)
Audit Date(s):	February 16 - May 4, 2007
Audit Identifier:	NP7047EEA
Action Required:	Yes
Audit Type:	Surveillance - Accreditation Renewal Audit
Audit Objective:	To verify continuing compliance to the audit criteria; and to verify the implementation and effectiveness of corrective actions in addressing the previous non-compliances.
Audit Criteria:	7 CFR Part 205, National Organic Program (NOP) Final Rule, dated December 21, 2000, Updated September 11, 2006.
Audit Scope:	ISDA's quality manual including personnel, processes, procedures, facilities, and related records.
Location(s) Audited:	HydroBlend, Inc. (processing/handling) in Nampa, ID; Molyneux Farms (crops – livestock) in Carey, ID; and ISDA office – Boise, ID

The Idaho State Department of Agriculture (ISDA) Organic Certification Program was accredited as a certifying agent on April 29, 2002, to the USDA National Organic Program for crops, wild crops, livestock, and processing/handling. The State operated agency currently certifies 122 grower/producers, 3 livestock operations, and 27 processor/handlers. There are a number of dairies that are in transition that will increase the livestock certifications significantly, and there are no wild crop operations certified at this time. ISDA operates almost exclusively in Idaho; however, records indicate that there are single operations certified in Nevada and Montana.

The 5 Year Accreditation Audit process started on February 16, 2007 with a review of the documents submitted by ISDA and concluded with the on-site surveillance audit which was conducted on May 1 – 4, 2007.



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Records show that applications and registrations for the organic program are received by ISDA and according to the written procedure, the application and registration paperwork is compiled by the technical records specialist. If the application is determined to be complete, ISDA forwards the application, and the previous year's inspection report (if applicable) to the agricultural investigator (inspector) in the applicant's geographic area. The investigator reviews the application and conducts an on-site organic inspection. The State of Idaho allows the exempt operations (under \$5000) to be certified to NOP or to be just registered with the State. The registration requires the submission of the Registration Form in lieu of the Application for Organic Certification.

Following the inspection, the investigator completes the report and submits all findings to ISDA. The inspection report is then reviewed by the Program Manager and compliance or non-compliance is determined. If compliance is determined, the Organic Production Report and the Application for Organic Product Certificate is sent to the Producer/Handler and the Organic Certificate is issued.

Currently, all investigators (inspectors) are employees of ISDA; however, as the number of clients increase, the intent is to incorporate the use of contract inspectors. All staff personnel are qualified for the duties assigned. All officials of the government associated with this Program have current conflict of interest statements, confidentiality agreements, performance evaluations, and records of program-specific training on file. There have been no denials of certification and no appeals regarding certification since initial accreditation. Records show one complaint of record that is outlined in NP7121EEA.NC5.

FINDINGS

Observations made, interviews conducted, and procedures and records reviewed verified that ISDA is currently operating in compliance to the audit criteria except as noted below. The corrective actions for three non-compliances from the 2006 Annual Update were verified and found to be implemented and effective and therefore the non-compliances were cleared. There were eight (8) non-compliances identified during the audit.

NP6258DDA.NC1 – Minor - Cleared

NP6258DDA.NC2 – Minor – Cleared

NP6258DDA.NC3 – Minor – Cleared

NP7047EEA.NC1 – NOP § 205.103(a) Recordkeeping by certified operations states, "A certified operation must maintain records concerning the production, harvesting, and handling of agricultural products that are or that are intended to be sold, labeled, or represented... (b) Such records must: (2) fully disclose all activities and transactions of the certified operation in sufficient detail as to be readily understood and audited; (3) be maintained for not less than 5 years beyond their creation; and (4) be sufficient to demonstrate compliance with the Act and the regulations in this part." *The witness inspection of the livestock and grain operation in Carey, Idaho, found that the records available for review were not auditable to verify that the identified treated animals within the herd were actually those sold as treated animals and that conforming cattle sold were actually all conforming. Additionally, there were no records for the application of manure to specified fields, including the rate and date of application. Records were not available for the movement of hay from one location to another within the family, and a fall pasture used for grazing was not included in the organic system plan (OSP). There*



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were no records to verify the dates of cattle movement, means of transport, length of time at another location, and/or movement directly back to a certified location.

NP7047EEA.NC2 – NOP § 205.504 Evidence of expertise and ability states, “A private or governmental entity seeking accreditation as a certifying agent must submit the following documents and information to demonstrate its expertise... (a)(2) the name and position description of all personnel to be used in the certification operation, including staff, certification inspectors,...; (b)(2) a copy of the procedures to be used for reviewing and investigating certified operations compliance with the Act and the regulations in this part and the reporting of violations of the Act and the regulations in this part to the Administrator.” *The ISDA procedures manual and the associated documents reviewed were not controlled to allow for verification that the procedures currently in use were those submitted to the Administrator as required. There is no control date for the organizational chart which was found to be obsolete, along with the employee list. Records show that the forms used to perform livestock and crop inspections are not necessarily the forms submitted to the Administrator as the documents used to verify compliance to the Act. Reports indicate that the approved forms are not being consistently used. Overall – there is no way to verify that any of the documents and procedures currently in use are those submitted to the Administrator with the annual update.*

NP7047EEA.NC3 – NOP § 205.642 Fees and other charges for certification states, “Fees charged by a certifying agent must be reasonable, and a certifying agent shall charge applicants for certification and certified production and handling operations only those fees and charges that it has filed with the Administrator. The certifying agent shall provide each applicant with an estimate of the total cost of certification... The fee schedule must explain what fee amounts are nonrefundable and at what stage during the certification process fees become nonrefundable.” *ISDA is not currently providing every client with an estimate of certification services at what point in the process they become nonrefundable. Records show that some estimates are being provided, but not consistently to all clients.*

NP7047EEA.NC4 – NOP § 205.501(a) General Requirements for Accreditation states, “A private or governmental entity accredited as a certifying agent under this subpart must: (4) use a sufficient number of adequately trained personnel, including inspectors and certification review personnel, to comply with and implement the organic certification program established under the Act and the regulations in subpart E of this part.” Subpart E § 205.400 (d) requires the maintenance of records for a specified time that support the activities of the certifying agent. *There are currently no records specific to the training criteria outlined in the ISDA Organic Procedures book. The procedure describing the activities surrounding the initial review of applications refers to the Technical Record Specialist. There is currently no Technical Record Specialist and there is no procedure for other staff to perform the function. There are no training records to indicate that the previous Technical Records Specialist was trained according to the criteria outlined in the Procedure. There are no training records to validate the ability of an investigator (inspector) to review applications for adequacy according to the criteria listed in the Procedure.*



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NP7047EEA.NC5 – NOP § 205.662 (a) Noncompliance procedure for certified operations states, “When an inspection, review, or investigation of a certified operation by a certifying agent or a State organic program’s governing State official reveals any noncompliance with the Act or regulation in this part, a written notification of noncompliance shall be sent to the certified operation. Such notification shall provide: (1) a description of each noncompliance; (2) the facts upon which the notification of noncompliance is based; and (3) the date by which the certified operation must rebut or correct each noncompliance and submit supporting documentation of each such correction when correction is possible. (b) Resolution. When a certified operation demonstrates that each noncompliance has been resolved, the certifying agent or the State organic program’s governing State official, as applicable, shall send the certified operation a written notification of noncompliance resolution.” *A complaint and ensuing investigation regarding mislabeling of organic product and two other non-associated complaints were investigated by a senior investigator for the state of Idaho. The offense was a violation of Idaho State Law: title 22 Agriculture and Horticulture, Chapter 11 Organic Food Products; and IDAPA 02.05.30 state of Idaho, Department of Agriculture, Organic Food Products. Witnesses to the complaint were the Organic Program Coordinator for the State of Montana and an Independent Inspector from Driggs, ID. The complaint centered on the use of Nitrates in an organic frankfurter product. There is no record or other indication that the procedure specified in 205.662 has been followed. No letter was filed with the Administrator, and there is no letter or other record of communication with the certified meat processing facility in Rigby, ID, that was the source of the complaint.*

NP7047EEA.NC6 – Procedure for Unannounced On-site Organic Inspections – from the ISDA Organic Procedures Manual states, “...1. Unannounced visit – randomly determined by the Program Manager; 2. Only 2 will be conducted in the Fall of 2003 and annually thereafter.” *Records show that this self-imposed requirement is not being met.*

NP7047EEA.NC7– NOP § 205.402 (b) Review of application states, “The certifying agent, within a reasonable time: (1) Review the application materials received and communicate its findings to the applicant.” *Three of the seven client files reviewed during the audit showed time from receipt of the application to final certification between 6 and 8 months. This is not within a reasonable time, since there are no records to indicate that conditions for additional information or other conditions caused the delay.*

NP7047EEA.NC8 – NOP § 205.202 Land requirements states, “Any field or farm parcel from which harvested crops are intended to be sold, labeled or represented as “organic,” must: (a) have been managed in accordance with the provisions of §§205.203 through 205.206; (b) have had no prohibited substances...; and (c) have distinct, defined boundaries and buffer zones such as runoff diversions to prevent the unintended application of prohibited substance...” *The Bureau of Land Management land grazing allotment referenced in the organic system plan (OSP) from one of the client files reviewed had none of the requirements of this section verified or documented. The grazing allotment included in the OSP was not verified for the ability to be certified for management of organic livestock.*